

## FY 2005/06 Budget - How to Use This Book - Volume One

### The City of Scottsdale's budget for FY 2005/06 is comprised of three volumes:

**Volume One - Budget Summary** includes the City Council's Mission Statement and Broad Goals, the City Manager's Transmittal Letters, and Adopted Financial Policies. The Five-Year Financial Plan covers the period FY 2005/06 through FY 2009/10, which forecasts results of operations by fund and incorporates the operating expenses of capital improvements for the period.

**Volume Two - Program Operating Budget** presents the individual programs within each department. The publication includes specific information about the program descriptions, goals and objectives, customers, partners, and staffing, along with a summary of the program operating budgets by expenditure category and the applicable funding sources.

**Volume Three - Capital Improvement Plan (CIP)** includes the Capital Project Budget and Five-Year Capital Improvement Plan with more detailed information for each project. Projects accounted for in Enterprise funds are also included in the Capital Project Budget. Capital Project Budget funding sources are matched with budgeted expenditures. All future year operating impacts are noted in the Capital Budget and are included in the Five-Year Financial Plan.

### FY 2005/06 Adopted Budget Summary - Volume One

Volume One begins with the **City Manager's Transmittal** letters dated March 21 and June 28, 2005. The March 21 letter was used to transmit the City Manager's proposed budget to City Council and highlights the prevailing economic condition under which the budget was prepared. The June 28 letter conveys the key elements of the adopted budget and the changes from the proposed budget.

The **Overview** section of Volume One describes in further detail the City's budget development process, which includes the roles and responsibilities of staff in the budget development process, the budget adoption, implementation and amendment processes, the use of contingency/reserves, the basis of accounting used to prepare the budget, and the relationship of the operating budget to the capital budget. This section concludes with a summary of the City's adopted Comprehensive Financial Policies, which are used to build the budget and manage the City's finances.

The **Fund Summaries & Five-Year Plan, Budget by Fund, and the Capital Improvement Plan** sections of Volume One represent the core of the City of Scottsdale's adopted FY 2005/06 budget. The Fund Summaries & Five-Year Plan provides a retrospective and prospective view of the City's funds. The first part of the Budget by Fund section, entitled Legal Compliance and Financial Management, offers a brief explanation of the City's use of fund accounting to maintain fiscal accountability. Next, a summary entitled Fund Accounting-Fund Types provides the reader with a description of the generic governmental fund types used by the City.

After an explanation of the fund types, a summary of the revenues, expenditures and fund balance by individual funds are presented. The **Budget by Fund** section concludes with two matrixes – 1) Program Operating Budget by Department/Program and 2) Program Budget Relationship with Mayor and City Council's Broad Goals.

The **Capital Improvement Plan** of Volume One provides an overview of the City's CIP development process, project evaluation criteria, funding sources, operating impacts associated with capital projects, and a capital projects list. This section references the reader to Volume Three for further detailed information on capital projects such as the project description, funding source(s), and geographic location.

Volume One concludes with the **Appendix** that provides a summary of authorized staff positions by City department and fund type, the City departmental staff support in the budget development effort, a Five-Year Debt Service Schedule, Schedule of Long-Term Debt Outstanding, and a Computation of the Legal Debt Margin as of June 30, 2005. A Glossary of terms used throughout the City's budget is also included in this section along with the City Council's ordinances reflecting the adoption of the City's FY 2005/06 budget and property tax levy.